

Resolution Number 99

Resolution Urging Voters to Oppose Amendment 7 Sales Tax Increase on August 5, 2014 Ballot

WHEREAS, voters will be deciding on Missouri constitutional Amendment 7 at the election to be held on August 5, 2014; and

WHEREAS, Amendment 7 increases both state sales and use taxes by $\frac{3}{4}\%$ for ten years to create a fund controlled by the Missouri Highway and Transportation Commission to be used for transportation improvements; and

WHEREAS, the \$6 billion or more that will be collected from the proposed sales and use tax increase is the largest tax increase in the history of the state of Missouri; and

WHEREAS, this increase would result in the general sales tax rate in the City of St. Louis climbing to 9.429%, with the rate in special districts as high as 11.429%; and

WHEREAS, the tax increase is excessive, considering that the vast majority of the funds from this tax will be used to build highways and bridges, growing a state highway system that is already one of the most expansive in the nation; and

WHEREAS, the St. Louis and Kansas City metropolitan regions already have the most freeway pavement per capita of any large metropolitan area in the nation and also have the lowest rate of highway congestion; and,

WHEREAS, the burden of this tax increase will fall most heavily on families, seniors, those with modest incomes, and small businesses, rather than on the users of the highway system; and

WHEREAS, the trucking industry, which does the most damage to roads and bridges, is exempt from state and local sales and use taxes; and

WHEREAS, because Amendment 7 prohibits increases in motor fuel taxes and the imposition of tolls, those who benefit the most from this huge tax increase will pay virtually none of it, both now and likely forever; and

WHEREAS, the Missouri General Assembly in the last session approved legislation that will reduce income taxes for the highest earners; and

WHEREAS, the state of Missouri is cutting budgets for essential services like education, safety, social services and healthcare; and

WHEREAS, claims that Amendment 7 will produce thousands of permanent jobs and improve safety are completely unsubstantiated and greatly exaggerated; and

WHEREAS, the City of St. Louis has proposed a number of potentially beneficial projects that could be paid for with the proceeds of the sales tax increase; and

WHEREAS, the Missouri Highways and Transportation Commission will be solely responsible for deciding how the sales tax proceeds will be spent; and

WHEREAS, the portion of the proposed sales tax increase paid by citizens and businesses in the City of St. Louis will be greater than the portion of the expenditures to be made in the City; and

WHEREAS, the continued expansion of the highway system in suburban areas of the state will encourage unsustainable development patterns that are harmful to the St. Louis region and the City of St. Louis; and

WHEREAS, the sales tax increase will diminish the future fiscal capacity of the City by limiting the use of this revenue source to meet future needs for essential services, support for Metro, and the expansion of MetroLink; and

WHEREAS, Amendment 7 is opposed by the Missouri Municipal League, the St. Louis County Municipal League, the League of Women Voters, the Sierra Club, Missouri Coalition for the Environment, and many other groups whose interests are generally aligned with the City of St. Louis; and

WHEREAS, any benefits to the City of St. Louis of the sales tax increase are uncertain and largely outweighed by the cost to its citizens and businesses.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF ST. LOUIS, THAT the sales and use tax increases that would be imposed by passage of Amendment 7 are excessive, unfair, harmful, and the wrong priority for the State of Missouri and the City of St. Louis.

BE IT FURTHER RESOLVED, that the Board of Aldermen of the City of St. Louis urges voters to vote NO on Amendment 7 at the election to be held on August 5, 2014

Introduced on the 11th day of July, 2014 by:

Honorable Scott Ogilvie, Alderman 24th Ward
Honorable Lewis E. Reed, President of the Board of Aldermen
Honorable Christine Ingrassia, Alderwoman 6th Ward

Adopted this the 11th day of July, 2014 as attested by:

David W. Sweeney
Clerk, Board of Aldermen

Lewis E. Reed
President, Board of Aldermen